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SUBJECT Global Bank Holiday/Investigation

JACK ANDERSON: At this holiday time, there's talk in the back rooms of a more ominous holiday. The Central Intelligence Agency is investigating the feasibility of a global bank holiday. CIA agents have been secretly interviewing financial tycoons about the prospects. This may be the best way to pull out of the international monetary crisis. CIA experts figure that if the banks closed down temporarily around the world, they won't have to close down permanently.

And here's the problem. International bankers have extended $500 billion in loans to developing countries. Of this, U.S. banks hold about 150 to 200 billion dollars in bad paper. But the continuing worldwide recession has hit the developing Third World countries right in their treasuries. They don't have a prayer of repaying the money they've borrowed. They can't even, in some cases, meet their interest payments.

The debtor nations have only two choices. They can default on their loans or they can borrow more money to pay the interest and principal as it comes due. Up to now, the international bankers have preferred to lend their customers more money so they won't default. In some circles this is known as throwing good money after bad.

Well, you might say, "Too bad for the bankers. They made bad loans. Let them suffer the consequences." Unfortunately, it's not that simple. Many of their gigantic loans are guaranteed by the Federal Government. In other words, the taxpayers will have to bail out the banks.

And why does the CIA worry about all this? Well, the spy agency is the one that gathers information on the secrets of

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the international bankers. The CIA, therefore, knows what's going on, that the international monetary system could collapse.

The Reagan Administration, meanwhile, desperately hopes to postpone the crisis. So it's advising bankers to keep on throwing good money after bad. That's why the CIA is considering a global bank holiday, and Uncle Sam may wind up playing Santa Claus.

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